

FBIS

DAILY REPORT

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JUDGE ORDERS ARREST OF 30 ARMY OFFICERS

PY110053 Buenos Aires BUENOS AIRES HERALD in English 10 May 83 p 1

[Text] In an unprecedented move Federal Judge Martin Anzoategui has ordered the arrest of 30 Army officers in connection with the theft of fuel from military garrisons and its resale to the public, sources said yesterday.

Judge Anzoategui ordered Army Commander-in-Chief Cristino Nicolaides to place the officers under arrest and deliver them to his court.

Anzoategui's decision was personally revealed to a general in active service, possibly the Army's general adviser. The judge also called for the arrested officers to be taken to court incommunicado, the sources added.

Although they did not name the officers involved, the sources said they included several colonels, lieutenant colonels, majors and captains.

The officers are expected to contest the competence of a civil judge to try them and it is possible that military courts will take part in the case, since the officers are on active service, the Army was the victim and the fraud took place at military units.

Anzoategui uncovered the connection between the Army members and a group of civilians that sold adulterated petrol at service stations in greater Buenos Aires.

Judge Anzoategui has been investigating the theft of military fuel for several months and 23 civilians are already in custody awaiting trial in connection with the case. Among them are Crisando Rego and Salvador Cantone, held as the masterminds behind the fraud.

The judge's investigations have revealed that the firm Zaballos Combustibles, which supplied a special type of fuel used by military vehicles (famitol) delivered only part of it to Army depots. The rest was artificially coloured and sold to garages for resale to ordinary motorists. At first Anzoategui declared himself incompetent to determine the military officer's involvement in the case.

Military sources said yesterday that the 30 military officers are not actively involved in the case but may be responsible for the mishandling of fuel deliveries. The sources said that every military officers gets about 5,000 litres of famitol for their personal use every month. Out of that amount, the sources speculated, about 1,000 litres were sold to Cantone at special low prices. The money thus obtained was spent on banquets and presents, the sources added. The sources went on to say that Cantone may have sold the fuel to military personnel who bought it for private use.

'TRIPLE A' INVESTIGATION TO BE REOPENED

PY102237 Buenos Aires TELAM in Spanish 1256 GMT 3 May 83

[Text] Buenos Aires, 3 May (TELAM) -- It was learned in the Buenos Aires courts that Federal Judge Jose Nicasio Dibur has ordered today the reopening of the investigation of the activities carried out by the Argentine Anticommunist Alliance, an organization known as the Triple A.

The investigation, which began in 1975 following a report made by attorney Miguel Angel Radrizzani Goni, was temporarily suspended.

It was learned that former Social Welfare Minister Jose Lopez Rega; former police officer Luis Almiron, who is currently living in Spain where he served as a guard of political leader Manuel Fraga Iribarne; and a police officer by the name of Morales, former supervisor of Lopez Rega's guards, will allegedly be investigated for illegal association.

AIR FORCE DENIES PURCHASE OF SOVIET PLANES

PY110014 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2011 GMT 10 May 83

[Excerpt] Buenos Aires, 10 May (NA) -- Air Force sources have categorically denied reports originating in London about an alleged purchase of Soviet planes.

The sources noted that a change in weapons systems and adaptation to new logistical lines require many years and large investments, including infrastructural facilities, the retraining of pilots, and technical personnel.

They added that there is a computerized data system concerning the replacement of parts and maintenance. Therefore, requirements for keeping all equipment in good operating condition are known several months ahead of time.

TRADE AGREEMENT WITH EL SALVADOR APPROVED

PY102244 Buenos Aires TELAM in Spanish 1500 GMT 9 May 83

[Text] Buenos Aires, 9 May (TELAM) -- The national executive branch has enacted the bill approving the trade accord between Argentina and El Salvador and the appropriate protocol. The lengthy document was published in the OFFICIAL GAZETTE today.

The commercial accord in question is designed to strengthen friendly relations and to increase economic and commercial ties between the two countries. This accord was signed in Buenos Aires on 5 June 1981.

At that time the parties agreed to facilitate the import and export of merchandise specified in the protocol. The parties also undertook the commitment to encourage contracts between individuals and corporations of their respective countries so as to increase trade.

Article 2 of the accord specifies that the two parties will grant each other the status of most favored nation concerning taxes, duties, and tariffs applicable to the marketing of raw materials and manufactured goods from the other party as well as other aspects related to the sales of these materials and goods.

In order to pave the way for the implementation of, and compliance with, said accord, a joint commission will be created. This commission will meet on a rotational basis in Buenos Aires and San Salvador. This commission will be empowered to amend the protocol, to issue the recommendations deemed necessary for the development of trade and resolve whatever difficulties may crop up.

The bill submitted to the national executive branch was signed by the foreign and economy ministers.

JUJUY POLICE ON STRIKE OVER WAGE PROBLEM

PY101757 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1511 GMT 10 May 83

[Excerpts] San Salvador de Jujuy, 10 May (NA) -- Approximately 500 provincial policemen occupied the yard of the local police headquarters protesting the government's decision to grade them according to the public servants scale, which means that their salaries will be reduced by 2 million pesos.

From their location, police personnel, who were joined by an as yet unknown number of officers this morning, have begun talks with the police chief, Lieutenant Colonel Osvaldo Larroca, in order to come up with a solution.

Unofficial sources indicated this morning that the attitude of the police personnel had found support among some 50 policemen of the towns of La Quiaca and Humahuaca. It seems that the prison guards of the province have also conveyed their support, although this could not be confirmed.

BUENOS AIRES POLICE STATION MACHINEGUNNED

PY101418 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1307 GMT 10 May 83

[Text] Buenos Aires, 10 May (NA) -- It has been reported that the police station at San Pedrito and Cristoforo Alvarez Streets was attacked by a group of unidentified individuals early this morning. The attackers machinegunned the station but inflicted no casualties.

The attack took place shortly after midnight when unidentified persons driving a white Fiat 1500 fired at the police station. According to the report, the policemen repelled the attack, but the perpetrators managed to flee.

ARMY OFFICER REPORTEDLY ARRESTED OVER REMARKS

PY100148 Buenos Aires DYN in Spanish 2356 GMT 9 May 83

[Text] Buenos Aires, 9 May (DYN) -- Army commander in chief, Lieutenant General Cristino Nicolaides, has ordered the arrest of former Interior Ministry Under Secretary Colonel Bernardo Menendez, retired, in view of remarks Col Menendez made about the Armed Forces document on the struggle against subversion.

Although Menendez' arrest was confirmed by reliable sources it is unknown where he will serve it and for how long.

MARCIAL TAMAYO DESIGNATED NEW FOREIGN MINISTER

PY101553 Paris AFP in Spanish 1527 GMT 10 May 83

[Excerpt] La Paz, 10 May (AFP) -- It was officially reported here today that presidential political adviser Marcial Tamayo has been appointed foreign minister. Tamayo will replace Mario Velarde Dorado.

Tamayo was interior minister during the first constitutional government of President Siles Zuazo (1956-60). He also worked as a UN official for more than 20 years.

Marcial Tamayo returned to Bolivia approximately 6 months ago. He immediately became the most trusted assistant to President Siles Zuazo.

MIR NOT INVITED TO JOIN SILES ZUAZO CABINET

PY110305 Madrid EFE in Spanish 0024 GMT 10 May 83

[Excerpt] La Paz, 9 May (EFE) -- In a communique issued here today, the Movement of the Revolutionary Left (MIR) stated that it has not received any official proposal to join the administration of President Hernan Siles Zuazo.

MIR leader Antonio Aranibar referred to statements by leaders of the National Revolutionary Movement of the Left (MNRI), led by Siles Zuazo, that this political crisis will be overcome only through negotiations and meetings among representatives of the political parties which form the ruling coalition.

The MIR communique points out that the party has not received any proposal to join the Cabinet, which will have to be reorganized after three ministers resigned last week.

The postponement of the Cabinet reorganization was decided upon by the Executive Committee of the ruling Democratic and Popular Unity (UDP) at President Siles Zuazo's request and not as a result of negotiations among the political parties, the communique added.

URUGUAY'S FERREIRA ALDUNATE ARRIVES IN LA PAZ

PY100313 Paris AFP in Spanish 0101 GMT 10 May 83

[Excerpt] La Paz, 9 May (AFP) -- Wilson Ferreira Aldunate, the leader of the National Party (Blanco) of Uruguay, arrived in La Paz today. Ferreira Aldunate has been invited by the governing National Revolutionary Movement of the Left (MNRI) and will meet tomorrow, Tuesday, with President Hernan Siles Zuazo and Vice President Jaime Paz Zamora.

LIBYA DENIES EXIT VISAS FOR BRAZILIAN EMPLOYEES

PY110007 Rio de Janeiro O GLOBO in Portuguese 10 May 83 p 5

[Text] Brasilia (O GLOBO) -- An employee of the Mineral Resources Prospecting Company (CPRM) and an employee of Braspetro [Petrobras International Inc.], both living and working in Libya, asked for exit visas the end of last week, but the government refused to provide them. This information was released yesterday by a government source in Brasilia. The source refused to reveal more details.

Itamaraty confirmed that the families of the two employees, whose names were not revealed, departed Libya over the weekend, but it did not explain why the two employees remained in that country.

"Itamaraty neither confirms nor denies that information," a close adviser of Foreign Minister Saraiva Guerreiro said, referring to the possibility that the Libyan Government had refused to provide the employees with exit visas.

More than 100 Brazilians are currently living in Libya. This number includes CPRM and Braspetro employees and their families. Both CPRM and Braspetro are linked to the Mines and Energy Ministry and they are carrying out contracts that provide for technical services. These contracts have been in force for at least 8 years.

LIBYA RENEWS NEGOTIATIONS ON WAR MATERIEL

PY110117 Rio de Janeiro O GLOBO in Portuguese 10 May 83 p 5

[Text] Brasilia (O GLOBO) -- The negotiations seeking a solution to the case that involves the return of the war materiel that is being retained in Brazil were renewed yesterday, when the Libyan ambassador, Abdulatif Khalifa Buker [as published], visited Aeronautics Minister Delio Jardim de Mattos. According to the minister's closest aides, this meeting is a demonstration of good will by both parties.

After the visit, the minister did not want to reveal what topics were discussed with the diplomat "before reporting to Itamaraty." But, he was optimistic regarding an agreement that will close the case.

The Libyan ambassador, during the audience, did not call the question of the return of the war materiel aboard the Libyan planes that are being retained in Brazil as irreversible, but said that it is negotiable, according to military advisers. The Air Force's position is firm in seeking an agreement, according to those same advisers, because it is a case which mainly involves the Air Force and an international convention; The Chicago Convention on Air Transport.

Itamaraty Spokesman on Dispute

PY110133 Rio de Janeiro O GLOBO in Portuguese 10 May 83 p 5

[Text] Brasilia (O GLOBO) -- Foreign Minister Saraiva Guerreiro and Aeronautics Minister Delio Jardim de Mattos talked over the phone last night about Libya's latest position regarding the return of the war materiel and the planes. Nothing was revealed about the conversation.

The two ministers then spoke with Libyan Ambassador Abdulatif Khalifa Buker [as published], who met with Jardim de Mattos after a series of contacts with Ambassador Joao Augusto Medeiros, chief of the Middle East Desk. According to diplomatic sources, the participation of a third country is under study. This third country would act as transporter of the Libyan cargo or it could become the destination of the cargo, which could then be reembarked for any other point in the world.

Itamaraty spokesman Bernardo Pericas stated yesterday that the Foreign and Aeronautics Ministries are working in coordination. He did not wish to comment on the evaluation of the Air Force's order of the day regarding the Day of Victory [the end of World War II in Europe], indicating that it was a criticism aimed at Itamaraty. Pericas stated that it was not his job to comment on it.

Pericas said that Jardim de Mattos had, through an official note, denied that evaluation and he stated: "I believe that there is no one more competent than the minister himself regarding the interpretation of his remarks."

Itamaraty's spokesman categorically denied any type of speculation that "diplomatic sources" may have made regarding a possible misunderstanding with the Aeronautics Ministry. He recalled that working in coordination does not mean that everyone has the same ideas.

Pericas also indicated that the crews of the Libyan planes are under the jurisdiction of the Federal Police and that they cannot leave the cities where they are currently staying.

According to the spokesman, the situation of the crews is directly linked to the situation of the planes and the war materiel. He stated that the crews, in principal, can take off in the planes without any type of formal authorization, but it will have to be within the context of an overall solution to the problem. "The standing decision is a decision that has been made in principle and it is based on the Brazilian Government's intention of allowing the crews and planes to return to their point of origin," he concluded.

Possible Solutions Aired

PY110331 Sao Paulo Radio Bandeirantes Network in Portuguese 0230 GMT 11 May 83

[Excerpt] During a telephone conversation, Carlos Fernando Leckie Lobo, Brazilian ambassador to Libya, denied today that Colonel al-Qadhdhafi has adopted any type of measure to stop Brazilians, who are working in Libya, from leaving the country.

The report, which was published today in a Rio de Janeiro newspaper, was quickly denied by Foreign Minister Saraiva Guerreiro and by Itamaraty Spokesman Bernardo Pericas.

A report received tonight indicates that Libya has informed Itamaraty that it is willing to permit the war materiel to be loaded on board a Libyan vessel or Libyan planes that are not currently in Brazil.

A high-ranking military source, who released this information in Brasilia, has stated that the most viable solution would be to load the war materiel on other Libyan planes that would arrive at the end of this week. The source indicated that this possibility was approved by the Aeronautics Ministry, when it was consulted by the Libyan charge d'affaires last Wednesday.

Paper on Government's Views

PY110150 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 May 83 p 7

[Excerpt] Brasilia -- "We are not particularly concerned with Colonel al-Qadhdhafi's remarks," Foreign Minister Saraiva Guerreiro told O ESTADO and JORNAL DA TARDE yesterday. Commenting on the Libyan leader's remarks that he will denounce Brazil before the Third World countries, Saraiva Guerreiro said: "Colonel al-Qadhdhafi can do whatever he wants to do. He is the chief of state of a sovereign country."

The Brazilian Government, Saraiva Guerreiro said, "is not concerned about the campaign Al-Qadhdhafi could conduct." Justifying Brasilia's relaxed position on this subject, he said: "In the first place, because we have a clear-cut position. Furthermore, because I believe that precisely our policy of maintaining good relations with all countries, not only with Third World countries, has been instrumental in building for us a certain degree of confidence, understanding and smooth communications."

SAO PAULO GOVERNOR BLAMES RIOTS ON CONSPIRACY

PY102120 Sao Paulo Radio Bandeirantes Network in Portuguese 1600 GMT 10 May 83

[Excerpt] Sao Paulo Governor Franco Montoro was interviewed by a Bandeirantes reporter on the Santo Amaro incidents. Governor Montoro revealed his suspicions about the organizing of the riots that occurred yesterday.

[Begin recording] [Question] In an outburst at the swearing in ceremony of the new Sao Paulo mayor, you said that there was a conspiracy here in Sao Paulo to overthrow your government. Why have you issued this warning?

[Montoro] First of all, I will tell you that I was not just letting off steam but I was also giving an example, a small example of what we are doing. There is a certain movement which is reflected in the charges that some sectors of the press have made against us and in the coordinated way those demonstrations -- which wish the government to change its course -- were carried out.

Demonstrators protest against unemployment, but this administration has been in power for only a few weeks and, therefore, it cannot be held responsible for the current unemployment situation.

The reports and editorials that have been published about this incident reveal the existence of a plan -- I do not know who is responsible for it or whether it is a plan for coordinated action -- where every effort is being made to attack a government that is doing its best to improve [words indistinct]. [end recording]

FIGUEIREDO AGAINST NATIONALIZING BANKING SECTOR

PY110200 Rio de Janeiro O GLOBO in Portuguese 10 May 83 p 18

[Text] Brasilia (O GLOBO) -- During an audience at Planalto Palace, President Joao Figueiredo yesterday asked Mario Garnero, president of the Brasilinvest [expansion unknown] group to let the country bank's and business sector know that he is categorically against the draft law that calls for the nationalization of the banking sector, and that he had no knowledge of this initiative.

According to Garnero, Figueiredo emphatically refuted the remarks that claim that the government's intention to force the banks to reduce interest rates is behind the draft law that has been drawn up by Deputy Nilson Gibson (PDS-PE -- Social Democratic Party Pernambuco State).

Garnero reported that Figueiredo stressed that Deputy Nilson Gibson's draft law directly collides with one of his government's main guidelines: That of reducing the state's activities in the economic sector, a guideline that is already being implemented through the program where the government is divesting itself of assets.

Garnero was received by Figueiredo at Planalto Palace together with Raul Gardini, president of the Ferruzzi Group of Italy, to officially inform him of the association between Brasilinvest and the Ferruzzi Group, the International Finance Corporation [given in English] (IFC), the World Bank and the Santa Rita Group, for installing a cement producing plant in Mato Grosso State.

The National Association of Investment and Development Banks had asked Garnero to take the initiative in asking Figueiredo about the draft law that calls for the nationalism of the banking sector.

RENEGOTIATION PLANNED WITH IMF ON CEILINGS

PY101655 Madrid EFE in Spanish 0107 GMT 7 May 83

[Text] Rio de Janeiro, 6 May (EFE) -- The Brazilian Government will renegotiate the commitments made to the IMF in February whereby a \$4.8 billion loan was expanded.

The decision was confirmed to the newspaper GAZETA MERCANTIL by Brazilian Central Bank President Carlos Langoni. Langoni will travel to the United States on 16 May to make the renegotiation. Langoni will head a delegation that will be made up of Alberto Sozin Furuguem, chief of the Central Bank's Economic Department, and by economist Luis Augusto Savazini from the Planning Secretariat (SEPLAN).

Langoni stated that the purpose of the renegotiation with the IMF is to obtain the elimination of the quarterly ceilings imposed on Brazilian economic policy, which are provided for in the agreement signed with the IMF in February 1983. The document establishes the ceilings on expansion of liquid assets of the monetary authorities, the public deficit, the foreign debt and of the balance of payments account.

The Brazilian Government is willing to maintain the overall yearly ceiling if it is not tied down to the quarterly ceilings, which have not been totally observed. The Central Bank president admitted that although the present policy aimed at adjusting interest to the cost of living has shortcomings, it is neutralizing the expected effects of the strong Brazilian currency devaluation made last February.

Langoni also admitted that the public deficit is the main cause of the inflation rate and the high interest rate on the financial market.

Carlos Langoni told GAZETA MERCANTIL that he intends to make a preliminary evaluation of the Brazilian economy during his meeting with the IMF authorities, which will be held before the official IMF delegation arrives in Brazil at the end of May or the beginning of June.

NEWSMEN MARCH TO PROTEST PRESS RESTRICTIONS

PY100344 Paris AFP in Spanish 0145 GMT 10 May 83

[Text] Santiago, 9 May (AFP) -- About 50 journalists, with their mouths covered with handkerchiefs, marched peacefully and quietly today through the downtown area of the Chilean capital to protest the lack of guarantees affecting the press.

The demonstrators, representing several media organizations, waved placards that read: no gagging, free press, against censorship and oppression, freedom of speech.

Last Thursday, the National Journalists Association announced the filing of constitutional charges against Interior Minister General Enrique Montero on account of attacks suffered by members of the press on 1 May.

On that occasion, local journalists and foreign correspondents, who were covering a rally staged by dissidents, were beaten up by civilians who were apparently collaborating with the police.

The protest march started at the Journalists Association's central offices and finished at the Copper Workers Confederation's offices, which has organized a nationwide protest for next Wednesday.

The rally, which lasted for an hour, was closely followed by policemen who just watched the group march.

COPPER WORKERS FEAR CLASH, SUSPEND STRIKE

PY072052 Paris AFP in Spanish 1629 GMT 7 May 83

[Excerpt] Santiago, 7 May (AFP) -- Unions of Chile's large state-owned copper mines have postponed a protest strike against the military regime of President Augusto Pinochet, the Copper Workers Confederation [CTC] officially announced today.

The strike was scheduled for Wednesday, 11 May, and -- according to its organizers -- other important unions and citizen groups were to join it to reject the cultural, political, and socioeconomic system established by the government.

The decision to suspend the strike was made in view of the danger of a violent clash, the CTC president said.

Leaders of the 22,000 copper workers said last Friday that cannons and mortars aimed at the population were deployed in Chuquicamata, in the northern desert, where the largest copper deposit is located.

There were also troop movements with tanks and helicopters to intimidate the workers around the Andina and El Teniente Mines, near Santiago, the CTC leaders said.

In a note released today to announce the suspension of the strike, the CTC charged that the decision was made in view of the serious possibility of a violent clash, which is being sparked by those who seek to leave the Chilean union movement without leaders.

NICARAGUA'S ARCE TO MEET WITH BETANCUR ON C.A. ISSUES

PA100018 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 9 May 83

[Text] Colombia's position on today's UN Security Council meeting, in which Nicaragua will accuse its neighbors of permitting counterrevolutionary groups to operate in their territories, will be very prudent.

After meeting with Costa Rica's Second Vice President Armando Arauz Aguilar, Colombian Foreign Minister Rodrigo Lloreda Caicedo told CARACOL that Colombia's ambassador to the United Nations has been instructed to listen and to make decisions in accordance with those of the Contadora Group.

Lloreda Caicedo added that he will attend the foreign ministers meeting in Panama this Wednesday to discuss Costa Rica's request for the appointment of an OAS-approved multinational peacekeeping force. We are not going to jump to conclusions, either at the United Nations or at the OAS; we are going to act in accordance with what the Contadora Group decides, Lloreda Caicedo said. This, of course, forces us to take a prudent position, in which we will listen to all parties involved and try to maintain a moderate climate, particularly in view of all of the recent developments, Lloreda Caicedo indicated.

Meanwhile, President Belisario Betancur will receive Sandinist leader Bayardo Arce, who will try to explain his country's position on the unexpected developments in the Central American situation resulting from Costa Rica's urgent request that the OAS provide a multinational peacekeeping force along the Costa Rican-Nicaraguan border.

Betancur has already spoken with Costa Rican Second Vice President Armando Arauz Aguilar, who explained that his country wants observers, either military or civilian, to maintain tranquillity along its 320-km border with Nicaragua. Arauz, who arrived in Bogota last Saturday, will leave for San Jose today. Arauz Aguilar said that his meeting with President Betancur and Foreign Minister Lloreda Caicedo was positive, while adding that Costa Rica's request for a multinational force is not aimed at anyone in particular and that he sees no reason why it should not be received favorably.

On the other hand, Commander Bayardo Arce is trying to secure support from the Latin American countries at today's UN Security Council meeting in New York. The Sandinist government has accused the Costa Rican Government of permitting counterrevolutionary groups to attack Nicaragua. Colombia, a member of the Contadora Group, is participating in efforts to prevent a large-scale war in Central America.

Statements After Meeting

PA101544 Bogota Domestic Service in Spanish 1730 GMT 9 May 83

[Report by Leonel Torres; questioners in recorded portions not identified]

[Text] A meeting between Mr Bayardo Arce, a member of the Nicaraguan Reconstruction Junta [as heard], and President Belisario Betancur has just ended at Narino House. As he left this meeting with the Colombian President, Mr Arce told newsmen that the Nicaraguan [as heard] proposal for a multinational peace force on the border with Nicaragua is a logical proposal because Costa Rica does not have an army. However, he expressed more support for the strengthening of the mechanisms established by the Contadora Group. Nicaraguan Foreign Minister Miguel d'Escoto made proposals in this regard at the United Nations this noon.

Mr Arce Castano spoke on this and other topics with journalists. Foreign Minister Rodrigo Lloreda Caicedo said that the Nicaraguan and Costa Rican positions do not mean there is an estrangement in the process of consolidation of peace in the Central American region. Let us first hear the views of Mr Arce.

[Begin recording] [Arce] Our meeting has essentially been to exchange information and opinions on the Central American situation and the initiatives currently underway by the Contadora Group and our efforts at the UN Security Council, as well as the alternative to which the Costa Rican Government has resorted in the OAS.

[Question] Was there talk of a (?multinational) peace force?

[Arce] That is precisely the Costa Rican Government's proposal. We exchanged views on whether or not this type of reply to the regional problem is feasible.

[Question] Does Nicaragua agree with the Costa Rican proposal?

[Arce] We have said in our contacts with the Contadora Group and other Latin American governments that this alternative might not contribute to the strengthening of the Contadora Group's initiative, which we believe is the initiative that is the most feasible and that has the greatest hopes for the regional situation. As you know, it has received a lot of support from all the European countries and Latin America without exception. We are concerned that if the regional problem is discussed in the OAS, this initiative might be affected.

[Question] Will Nicaragua also propose the forming of a multinational peace force?

[Arce] No, no. At this time, our foreign minister has probably already delivered his speech to the Security Council. Our position is that we must exhaust to the maximum the mechanisms of dialogue and the efforts for negotiations that are essentially being led by the Contadora Group. Therefore, our proposal at the Security Council today is basically that the Security Council strengthen with its political weight the measures and steps taken by the Contadora Group and that it might include the UN secretary general in them.

[Question] Do you think the Colombian Government leans more toward the Nicaraguan proposal or the Nicaraguan position? [sentence as heard]

[Arce] You mean the Costa Rican proposal?

[Question] Yes, I mean the Costa Rican.

[Arce] I think the Colombian Government has maintained a wise, balanced position on the regional situation. That is the position it must adopt in order to play the role of mediator and to be a factor that contributes to peace.

[Question] Do you think that if a group of observers rather than a force is appointed, the Contadora efforts will also be in danger?

[Arce] I am not really saying that it could be in danger; what I mean is that, as far as we can tell, this initiative might not strengthen the Contadora efforts. [end recording]

It is clear that Nicaragua does not want a multinational peace force on the border with Costa Rica and that Costa Rica does want a multinational peace force. Foreign Minister Rodrigo Lloreda Caicedo said that these two positions do not mean any estrangement.

He said that the views of friendly countries and international organizations, including the United Nations, are welcomed in this dialogue for peace. In no way would this hinder the negotiations being carried out by the Contadora Group and the countries involved in the Central American conflict. In this sense, Foreign Minister Rodrigo Lloreda Caicedo said that expressions of solidarity from many countries and international organizations have been favorably received by Venezuela, Colombia, Panama and Mexico, the governments involved in these efforts for Central American peace. Let us hear Foreign Minister Rodrigo Lloreda Caicedo.

[Begin recording] [Lloreda Caicedo] ("The talks) were not limited to the Costa Rican proposal. They included all the subjects that are of bilateral interest to Nicaragua and Costa Rica. I think that in this context yesterday's visit by the Costa Rican vice president and today's visit by Commander Bayardo Arce and the talks they held with President Betancur and with the Colombian Government in general are positive factors in the search for paths to establish peace. I think this information will be very useful for the talks that we are going to hold on Wednesday with our colleagues of Venezuela, Mexico and Panama because we are trying to maintain active diplomacy, a permanent flow of information and productive communication among the parties involved in the Central American conflict. I hope that all of this will help. This is the desire of the Colombian Government.

[Question] It has been learned that there is a (?division) in the Contadora Group, in view of the fact that Mexico has already announced that it does not agree with this force, and that Costa Rica said that another country should be sought to replace Mexico.

[Lloreda Caicedo] I think those are unofficial reports. I have spoken with the Mexican foreign secretary and the Costa Rican vice president, and the fragmentary reports that you mentioned do not have a definite character. I think we are going to maintain above all the uniformity of views in the Contadora Group because that is basic for it to be useful in the peace efforts.

[Question] Has the opinion of our defense minister been consulted regarding this proposal and the possibility of having units ready to be sent to the Costa Rican-Nicaraguan border?

[Lloreda Caicedo] We do not need to go so fast, among other reasons because the commander in chief of the armed forces is the Colombian president and the defense and foreign ministers carry out his decisions.

[Question] Minister, don't the two positions of Costa Rica and Nicaragua mean there is a great distance between them? One wants a peace force and the other does not.

[Lloreda Caicedo] I don't think they are as far apart as you apparently suggest. I think that both countries are interested in peace, in the neutralization of the border, and that is a basis for negotiations that might be useful.

[Question] Is it true that, as the Nicaraguan commander said, this peace force would not be in agreement with the proposals of the Contadora Group?

[Lloreda Caicedo] What occurs is that the Contadora Group has been organized on the basis of diplomatic and political efforts. We had not thought of the prospects of acting on the basis of peace or military forces. That is a solution that must not be totally ruled out in the future but that naturally we do not want to adopt as the starting point. I think there is still important room for dialogue at the political level, and we are going to continue on that path.

I repeat that any decision on the Costa Rican proposal and the Nicaraguan Government's viewpoints will be adopted jointly by the four foreign ministers of the Contadora Group.
[end recording]

Those were remarks by Foreign Minister Lloreda Caicedo. In any case, Mr Bayardo Arce's visit was very significant because President Betancur spoke with Costa Rican Vice President Armando Arauz. Arauz left this morning for Panama as part of a peace tour of several Latin American countries. Bayardo Arce will be leaving for Nicaragua after this meeting with President Belisario Betancur and Foreign Minister Rodrigo Lloreda Caicedo.

M-19 ADMITS GUERRILLAS TRAIN IN CUBA, USSR

PA102228 Bogota EL TIEMPO in Spanish 5 May 83 p 7-A

[By Miguel Angel Molina]

[Text] Tunja, Colombia, 4 May -- The 19 April Movement (M-19) has issued a communique admitting that several of its members are receiving training in Libya, Cuba and Russia. The communique also notes that the M-19 has been present in Central America, where it has deployed brigades in the past few months.

In a pamphlet delivered to the media, the guerrilla movement says that it has decided to declare war "in demand of changes" and claims that the seizure of arms in Brazil "will not prevent others from being brought in, and perhaps even the same ones, if that country's government returns them."

"We will not give up our struggle for true revolutionary achievements that will serve the final objective of creating an independent republic of the Amazon, along with the country's other revolutionary forces," the M-19 communique concludes.

VISIT BY NICARAGUA'S BAYARDO ARCE CANCELED

PA110201 Buenos Aires LATIN in Spanish 1956 GMT 10 May 83

[Text] Caracas, 10 May (LATIN REUTER) -- A scheduled visit to Venezuela by a ranking Nicaraguan official was cancelled at the last minute, diplomatic sources revealed today.

Commander Bayardo Arce, official spokesman for the ruling FSLN, had been invited by the Christian Democratic Organization of the Americas (ODCA) and was also expected to meet with some government officials. "Under current national and international circumstances, such a visit is not advisable at the moment," ODCA Secretary General Aristides Calvani said, without giving further details.

Arce's visit was cancelled after Venezuelan President Luis Herrera Campins' talks with Costa Rican Vice President Armando Arauz Aguilar over the weekend.

Diplomatic sources noted that Venezuela tends to favor the Costa Rican proposal for an Inter-American peace force in Central America.

Venezuelan Defense Minister Vicente Narvaez Churion said over the weekend that the Venezuelan Armed Forces are willing to be a part of such a force, but that they await President Herrera's decision. The proposal is expected to be discussed at a meeting of the foreign ministers of the Contadora Group -- Venezuela, Mexico, Panama, and Colombia -- which will be held in Panama tomorrow.

LAND PROBLEM PROMPTS DISORDER, POLICE ACTION

PA101722 Paris AFP in Spanish 1640 GMT 10 May 83

[Text] Moron, Venezuela, 10 May (AFP) -- Two dead, several injured, and 40 arrested were the results of violent disturbances in this city 200 km northwest of Caracas, which is the seat of the country's major petrochemical industry, it was reported today.

The disturbances occurred over the weekend after police evicted families affected by the floods who illegally occupied lands. The participants in the disturbances, which according to the police were instigated by outside agitators, burned the local prefecture (mayor's office) and the office of the ruling Social Christian Party, COPEI. Police and National Guardsmen (military police) intervened to quell the disorders, resulting in the death of a youth and an old lady, Paula Vasquez, who was asphyxiated by a tear gas bomb that entered her humble dwelling.

The hospital reported that at least five civilians of both sexes were treated for bullet wounds, and the police reported 40 arrests. The National Guard has Moron under its control, and the government announced that it will assist the flood-stricken families of the region.

SEPULVEDA, FAIT SEEK INCREASED UN ROLE IN C.A.

FL101255 Bridgetown CANA in English 1208 GMT 10 May 83

[Text] Mexico City, May 10, CANA-REUTER -- Mexico and Costa Rica believe the United Nations secretary general should explore the possibility of sending special observers to Central America, a Foreign Ministry Communique said last night.

The statement, issued after Mexican Foreign Minister Bernardo Sepulveda met Costa Rican Vice President Alberto Fait here, said the two men endorsed a wider U.N. role in ending bloodshed in the region. They agreed "that U.N. secretary general (Javier Perez de Cuellar) could use his good offices to further regional detente and find a peaceful and negotiated solution to the zone's problems, including the sending of observers," the communique said.

Although failing to specify the observers' role, the statement marked the first time that Mexico, which plays a strong diplomatic role in Central America, had admitted the possibility of U.N. mediation in the region, Foreign Ministry sources said.

It came in response to Costa Rica's request, formulated last week, that Mexico, Venezuela, Colombia and Panama mount a patrol force along the tense Costa Rican-Nicaraguan border, the sources said.

Fait told reporters here last night that Costa Rica had turned to these four nations, the so-called Contadora Group, to dampen tension with Nicaragua and ensure his nation's neutrality in Central America. As one of the world's few countries without an army, Fait said Costa Rica needed the force to halt cross-border forays by the Nicaraguan Army and to wipe out Nicaraguan rebel camps in Costa Rica.

Fait said Nicaraguan Army troops had forayed into Costa Rica more than 10 times so far this year.

At the same time Nicaragua has sent 64 diplomatic notes to Costa Rica protesting against the use by Nicaraguan rebels of Costa Rica as a base to launch raids into Nicaragua, he said.

Fait said only an international force would have expertise and resources to successfully hunt for and destroy rebel bases.

LIBYAN PLANES DENIED OVERFLIGHT AUTHORIZATION

PA101602 Panama City CRITICA in Spanish 10 May 83 pp 1, 15

[By Erich Rodriguez Auerbach]

[Text] In the past few hours, the Panamanian Government, through the Civil Aeronautics Board, DAC, denied authorization for the flight of Libyan planes over Panamanian territory.

In an exclusive statement for CRITICA, DAC Transportation Director Felix Picardi said that this important decision was made in accordance with Article 4 of the International Civil Aviation Convention, which clearly states that "each State agrees not to use civil aviation for purposes contrary to coexistence between nations."

CRITICA has learned that the Panamanian authorities have officially denied two authorizations for overflight requested by the Libyan airline Jamahiriyah Airways. In its cable the Libyan airline had indicated that these were cargo flights, but it did not specify what kind of cargo would be aboard the aircraft.

In reply to CRITICA's inquiry, Picardi said that the flights were to be made using a B-707 aircraft, and that they were scheduled for 11 and 18 May on the following proposed routes: from Tripoli to Cape Verde, from Cape Verde to Cuba, and from Cuba to Managua.

The Panamanian decision will in fact impede the realization of these flights. The services for aerial navigation on these routes are under Panamanian responsibility, because our country provides air traffic control services for an area of over 2 million square kilometers.

It is clearly understood that Panama has denied authorization for the entrance of these flights into this sector, as well as for any emergency landing in its geographic territory, or flight in its skies.

Picardi stressed that Panama is interested in encouraging peace in Central America, and that this is one of the main reasons for opposing the transit of Libyan planes which -- as we all know -- recently carried a large unauthorized shipment of weapons that was discovered in Brazil.

In relation to international agreements signed by Panama, Picardi told CRITICA that the Chicago Convention on the subject reflects the spirit and philosophy of the signatory states in signing these international treaties with the principal intention of guaranteeing "the use of aviation as a means and instrument to preserve peace, and not as an instrument for war."

Picardi concluded by categorically emphasizing that the DAC considers that sending weapons to the strife-torn Central American region by air would aggravate the present political situation. Therefore, he added, the DAC will NOT [capitization indicates boldface] authorize the overflight of any aircraft suspected to be transporting weapons, since this is definitely against the quest for peace in the region.

PAREDES ON TRIP TO WASHINGTON, POLITICAL ISSUES

PA110233 Panama City Televisora Nacional in Spanish 2300 GMT 10 May 83

[Excerpts] Members of the National Guard General Staff reviewed the transisthmian railroad's problems with its workers today.

At the end of the meeting, General Ruben Dario Paredes was questioned by Televisora Nacional about his upcoming trip to the United States and other topics of interest. Here are his statements:

[Begin recording] [Unidentified reporter] General Paredes, can you tell the country on what date you will travel to Washington and what the basic purpose of your trip is?

[Paredes] The date has not yet been set, but it will be in early June. This visit is exclusively for military purposes. It will be a visit to the Pentagon and some topics will come up there. I expect to meet Friday with U.S. Ambassador Briggs and General Nutting, when we will, more or less, select some basic topics for discussion during the visit.

[Unidentified reporter] With what military or civilian authorities will you meet if this is confirmed?

[General Paredes] I am going to meet in Washington with General Vessey, the foremost military leader, and with General Meyer and other distinguished top-level U.S. Army officers.

[Unidentified reporter] Will you be accomplishing some specific official mission, in terms of violations of the Torrijos-Carter treaties?

[General Paredes] Some violations that are currently taking place will be raised there. [end recording]

In regard to a statement by Electoral Court President Cesar Guintero that the proliferation of political parties will be counterproductive, the National Guard commander in chief said:

[Begin Paredes recording] Dr Guintero has indeed voiced a subjective truth, don't you think? However, the way I see things, the parties exist legally. They were formed in accordance with the law and must be respected as a result. They must be allowed to participate in free elections and their members must be allowed to go to the polls. If this is done in an orderly manner, in my opinion -- and with due respect for Dr. Guintero, whom I hold in great esteem -- I think that Panama will be achieving a new gain in 1984. Democracy is growing more and more consolidated in this country with each passing day. [end recording]

PAREDES ON RAILROAD, PEACE FORCE PROPOSAL

PA102142 Panama City\Circuito RPC Television in Spanish 1715 GMT 10 May 83

[Report by Rene Sandoz]

[Text] Accompanied by the National Guard Staff, Brigadier General Ruben Dario Paredes made a statement today in which he announced that the national railroad will never return to U.S. hands, because that would create a bad image and would make more difficult the tasks that our government must yet undertake to fully recover the Canal Zone. The National Guard chief made the statement to more than 200 railroad workers after hearing the views of the leaders of the Railroad Workers Union, Secretary General Luciano Mack Johnson and Secretary Victor Martinez. Engineer Sabonge, director of the railroad, also spoke to Gen Paredes and the National Guard Staff about the critical situation being experienced by this transportation organization.

Speaking to the workers, Paredes said:

[Begin recording] We know that you have been sufficiently tolerant. You have done your share for the homeland and have waited for the final solution. It is important that we stress some things that were mentioned here. We must reiterate that it is an unquestionable fact that if this railroad is not administered efficiently or if it does not provide the service for which it was created, the U.S. gentlemen have the right to recover and operate it. If that were to happen, we would automatically be giving up a very significant portion of the contents of the Torrijos-Carter Treaty. It would be a very unpleasant indication to the world that not only are we Panamanians incapable of managing the railroad -- were it to return to U.S. hands because of incapacity or disorder -- but that we are not prepared to receive the Panama Canal in the year 2000. [applause]

Therefore, your patience and understanding of the problem and the instructive explanation that Martinez offered a few minutes ago, so that we can understand the problem in its full dimension, show that you are Panamanians with a great sense of responsibility. President de la Espriella's government meets tomorrow in a general state council. The entire government meets tomorrow. I invite you to send three representatives -- it could be Director Sabonge, Secretary General Mack and young leader Martinez -- to explain this situation, which cannot go on, to the president and the government. [applause] Do you agree? [unidentified speaker responds "We agree."] Then an officer will be here at 0800 to take you to the Pacora area, where the meeting will be held. Thank you for your tolerance. Don't lose faith, because as Panamanians, your problems will be solved. This railroad will continue to provide service in Panamanian hands. [applause] [end recording]

The National Guard commander in chief then spoke with RPC Television:

[Begin recording] [unidentified reporter] What about the changes in administration of the Coiba penal island?

[Paredes] yes, there was a change recently.

[Unidentified reporter] Were there discharges?

[Paredes] We had to punish some members of the institution who overstepped their functions. To put it bluntly, they mistreated the penal population and we cannot tolerate this, so they were punished with dismissal.

[Unidentified reporter] Who was dismissed?

[Paredes] The previous chief and a couple of subordinates. [end recording]

On the subject of the peace force that the Costa Rican Government is requesting, Gen Paredes said:

[Begin recording] That is a lengthy topic but I can tell you this: I believe that a peace force is valid if a country at war requests it, such as El Salvador, for example. However, Costa Rica is not at war and there is no need to go and pacify anything there, because there is no violence in Costa Rica. There is talk about a threat. This is different from a real and concrete fact, as in El Salvador, where there is a war and where there is a need to ensure order and to seek peace.

So, perhaps in El Salvador a multinational force could be important, in that it could produce a truce while a political program is implemented and a negotiated solution is found with popular participation. I believe that a peace force would be important in such a situation. A peace force would enter that country, or any country involved in war, not to shoot but to build wells, schools and the like and to repair bridges destroyed by violence while the politicians, leaders and revolutionary forces seek a peaceful path. [end recording]

HAVANA CITES PDP PAPER ON U.S. 'INTERVENTION'

PA102024 Havana International Service in Spanish 1800 GMT 10 May 83

[Text] The weekly newspaper UNIDAD, organ of the Panamanian People's Party [PDP], today reported that there exist in this Central American country elements that advocate a war and support the United States in its attempts to turn Central America into a new Vietnam.

UNIDAD stated that persons linked to the U.S. Embassy in Panama and the private sector have organized a so-called Committee to Rescue Democracy in Central America and Panama, with the intention of influencing government policies toward Nicaragua and involving Panama in the criminal U.S. policy for the region.

The U.S. hawks were defeated in Vietnam and now seek revenge in Central America, the Panamanian weekly concluded.

BELIZEPRICE, DELEGATION OFF TO U.S. FOR TALKS

FL110022 Bridgetown CANA in English 2347 GMT 10 May 83

[Text] Belmopan, Belize, May 10, CANA -- Belizean Prime Minister George Price is leading an eight-member government delegation to the United States tomorrow for bilateral talks in Washington with President Ronald Reagan, Vice President George Bush and other senior administration officials, an official statement here said today. No details were given on the nature of the talks.

The delegation includes Labour Minister David McKoy, Works Minister Fred Hunter, Natural Resources Minister Florencio Marin, Attorney-General and Minister of Education and Sports Said Musa, Belize's non-resident Ambassador to Washington Edmund Marshalleck, Permanent Secretary in the Ministry of Foreign Affairs Everal Waight, and Chief Information Officer Norris Hall.

At the invitation of Prime Minister Price, the president of the Belize Chamber of Commerce, Elton Jones, and the president of the Private Sector Organisation, Louis Humpheries, will also travel with the delegation.

The prime minister and some members of the delegation will also be visiting New York City, Chicago, Los Angeles, Houston and New Orleans during their stay in the U.S., the statement said.

While in New York City, Mr Price is scheduled to meet United Nations Secretary-General Javier Perez de Cuellar.

To coincide with the prime minister's visit, a group of businessmen representing the Belize Chamber of Commerce and the Private Sector Organization will be in Washington for a series of meetings with U.S. businessmen at the invitation of the Government of Belize and the United States Agency for International Development, USAID.

The Belizean businessmen have also arranged to meet U.S. businessmen in Houston and New Orleans during the prime minister's visit to these cities as part of an investment promotion programme for Belize.

COSTA RICAWARNING TO PUBLIC ABOUT FORGED U.S. VISAS

PA101650 San Jose Radio Reloj in Spanish 1200 GMT 10 May 83

[Text] Judicial Investigations Organization [OIJ] agents have discovered a mass forgery of U.S. visas. The public is warned about this since 15,000 colones are being charged for each visa. Individuals who use forged visas run the risk of losing the 15,000 colones and being prosecuted for a crime that is punishable with sentences that range from 1 to 6 years in prison.

In recent days, seven forged visas have been detected. Their owners have been returned to Costa Rica and are under arrest for the crime of use and forgery of documents, the OIJ reported. The seven people are under arrest for being allegedly responsible for the forgery or for the use of a false document. The OIJ said that four are Costa Rican and three are Cuban.

During the investigation it was established that the visas were almost perfect, but they contained errors that the computers in the U.S. airports detected. Only U.S. visas are involved. The investigations are continuing.

ARAUZ REPORTS INTEREST IN PROPOSAL ON OBSERVERS

PA101656 San Jose Radio Reloj in Spanish 1200 GMT 10 May 83

[Text] Costa Rica's proposal for the appointment of civilian or military observers on its border with Nicaragua has been received with great interest, Costa Rican Second Vice President Armando Arauz has said in Panama City. At the end of a meeting with President Ricardo de la Espriella, Vice President Jorge Illueca and Foreign Minister Juan Jose Amado, the Costa Rican official told newsmen that he told the Panamanian, Colombian and Venezuelan leaders of his country's desire for peace.

Regarding the proposal to the OAS for supporting Costa Rica's neutrality in the Nicaraguan events, Arauz said that everything is suspended and depends on the meeting that the foreign ministers of the Contadora Group -- Venezuela, Mexico, Colombia and Panama -- will hold in Panama City tomorrow.

Costa Rican Vice President Armando Arauz said that Costa Rica's proposal does not necessarily have to win, and that Costa Rica is willing to consider other formulas as long as they respond to the reasons for which Costa Rica is making its proposal to the OAS. He said that Costa Rica seeks a formula that protects and strengthens the traditional neutrality that Costa Rica wants to maintain firmly before the international community.

Vice President Armando Arauz Aguilar, who is on a tour of Venezuela, Colombia and Panama to explain Costa Rica's reasons for requesting a peace force for the border with Nicaragua, will return to the country today. Arauz is currently in Panama on the last leg of his tour, which has been described by government circles as extremely important.

Meanwhile, Vice President Alberto Fajt Lizano arrived in Mexico yesterday to meet with Foreign Secretary Bernardo Sepulveda; on the same mission as the one being carried out by Arauz Aguilar in South America.

The Government Council will analyze the results of the missions of Vice Presidents Fajt Lizano and Arauz Aguilar in its session on Wednesday. It has been reported that the progress made by Costa Rica's proposal to the OAS will occupy a good part of the Government Council's meeting. It is hoped that by that time the proposal will be in the hands of the OAS Permanent Council, which might come to a decision by the end of the week. So far, it is said that results from the Fajt and Arauz missions are positive.

EL SALVADOR

ARMY OFFICER REPORTS ON CLEANUP OPERATION

PA102358 San Salvador Radio Cadena YSU in Spanish 1200 GMT 10 May 83

[Text] Fierce fighting in the area of Cinquera, Cabanas Department, continued yesterday after the rebels attacked the military guardposts in El Zapote, Santa Rita and Las Mesas cantons.

The guerrilla attack began Sunday at 0200 and lasted several hours. Later on, Army forces began a search and cleanup operation. Yesterday, we contacted Colonel Roberto Rodriguez Murcia, commander of the military detachment in Sensuntepeque and chief of the operation, who said the following:

[Begin recording] [Rodriguez Murcia] The area of (Las Fiestas) has already been patrolled and the area of Cinquera is being patrolled now, in the afternoon. The subversives have been rooted out. They have withdrawn. Therefore, [words indistinct] Chalatenango. [passage indistinct]

Here in Las Mesas, the area of the so-called Cerro Las Mesas, there was a clash.

[Unidentified reports] Any wounded soldiers?

[Rodriguez Murcia] We suffered no casualties today. We did suffer 52 casualties yesterday, some of whom are missing in action.

[Unidentified reporter] Are these 52 casualties the ones suffered in [name indistinct] and Cinquera canton?

[Rodriguez Murcia] Yes. This includes troops, too.

[Unidentified reporter] Troops, too. Does this mean troops and civil defense personnel?

[Rodriguez Murcia] Yes, of course.

[Question by unidentified reporter indistinct]

[Rodriguez Murcia] None.

[Unidentified reporter] Where has the fighting taken place?

[Rodriguez Murcia] In Cinquera, Las Mesas and here in the Santa Rita area.

[Question by unidentified reporter indistinct]

[Rodriguez Murcia] The ones we had to bury, because they left 16 bodies lying here. We estimate that they suffered an additional 40 casualties, either wounded, missing or dead that they may have carried away. [passage indistinct]

[Unidentified reporter] Where were they buried?

[Rodriguez Murcia] Here, in the vicinity of Tejutepeque. [Passage indistinct]

[Unidentified reporter] Are you going on with the cleanup operation?

[Rodriguez Murcia] Certainly, we will continue it for several days.

[Unidentified reporter] Until you reach what area?

[Rodriguez Murcia] We must reach northern Cinquera. [passage indistinct] [end recording]

Cabanas Casualties Reported

PA100247 San Salvador Radio Cadena YSU in Spanish 1800 GMT 9 May 83

[Text] According to Col Roberto Rodriguez Murcia, commander of the military detachment headquartered in Sensuntepeque, the Army has suffered 25 casualties in combat in the area of Cinquera, Cabanas Department. He added that the Army and other combined forces are combing the area and that he hopes to drive the leftists from that sector of Cabanas Department soon.

CASTILLO REPORTEDLY RELEASED IN NICARAGUA

PA101441 Paris AFP in Spanish 1421 GMT 10 May 83

[Text] San Salvador, 10 May (AFP) -- Colonel Francisco Adolfo Castillo, the former defense minister of El Salvador who was kidnapped by the guerrillas 1 year ago, was released and is currently at the U.S. Embassy in Nicaragua, local newspapers reported today.

According to the report, Castillo, whose helicopter was downed by the guerrillas during fighting in the northeastern Department of Morazan on 17 June, was released last week somewhere in Nicaraguan territory.

GUATEMALARIOS MONTT ON ELECTIONS, PARTY ACTIVITIES

PA101801 Guatemala City Domestic Service in Spanish 0300 GMT 9 May 83

[Weekly address to the nation by Guatemalan President Efraim Rios Montt; date and place not given -- live or recorded]

[Excerpts] Thank you for allowing me to enter your homes. The people have their destiny in their own hands, and I agree with some, though not all, politicians that the people must be responsible for their own destiny. It is impossible for us to prepare a series of plans or programs focusing on political development alone because this political development would then respond only to the interests of those who carry it out or of those who present it.

Thus, it would be false, for the Guatemalan people must make Guatemala. It cannot be any other way. They have said in Washington that we are not prepared for democracy or for the elections. It is a fact that we are not ready for elections. I will explain why.

Several years ago, the secretaries of the political parties had bags full of identity cards and they still do. So if we hold elections now, the secretaries of the political parties will get out their bags full of identity cards and will thus produce bags full of votes. This would be one of the biggest frauds that could be committed against the Guatemalan people. So a Guatemalan Government representative in Washington said that we are not really prepared because the legal structures to support your vote do not exist.

We will no longer need identity cards, only the white card. This is a big change, an enormous challenge, because politicians will no longer be able to manipulate the election results. The politicians will really have to know what programs they owe to the people, because it will no longer be the (?professional politician) who is the sole candidate, who will have the charisma to get out into the political arena.

No, it will now be a government program, and this is what I want the committee for the formation of political parties to understand. It is useless for them to start shouting. It is abusive, impudent and deceitful for you to take upon yourselves the right to speak on behalf of the people, whom you have not consulted.

No, do not continue to lie, do not continue to deceive, do not continue to play with the people, because the people are going to strip you of your remaining credibility if you continue to manipulate them.

Guatemala needs a change, and this change lies in the fulfillment of your duty, in the fulfillment of your responsibility. We will soon return to a constitutional government system. One politicians said that this is impossible. Why? It is impossible to tell lies. We must tell the truth.

I cannot say that we will have elections on 23 March. I cannot say it because the legal elements to reflect the truth of the votes do not exist. This is the reason why we are here. We must work together. And Guatemala knows we don't have a personal interest. Therefore, it is worthwhile that you politicians analyze, that you see and think and do not manipulate, because the government will not be pressured by anyone. Let everyone know and understand this.

We are in the process of carrying out a policy that supports the state's process of democratization, a policy which also reforms such a concept because we are undertaking it with faith in God. We are doing it with determination, without [word indistinct], without intimidation. We are doing it because we love the people. We are doing it because we want to teach the people and because we are going to discipline the people. Finally, we are teaching the people that they are the sole makers of their own destiny.

You who are my counselor, advice me. You who are my adviser, advise me. But screaming is only manipulating, and unfortunately [as heard] we have attained a certain degree of maturity. We are not to be intimidated. I fear only God, not you. Therefore, no matter how many coups d'etat they want, how many assassins they hire, how many officers they try to convince to try to carry out another coup d'etat, I do not fear them. I fear only God, and that is certain.

Forget about achieving power through force. I did not attain power through force. Forget it. Your moment in history is almost over. Find a solution. If you do not find a solution in harmony with the nation you will achieve nothing.

It is necessary to avoid contradictions, anarchy and exploitation, because we should no longer speculate with the people's hunger and misery. We are Guatemalans and we must greet each other and maintain ourselves as brothers. Thank you very much.

HAVANA ON KIDNAPPING OF UNIVERSITY OFFICIALS

PA101837 Havana International Service in Spanish 1800 GMT 8 May 83

[Text] In Guatemala City, heavily armed individuals have kidnapped Rosa Perez de Guasimor and Joaquin Gutierrez, an official and a professor, respectively, of the San Carlos University. It is also reported in Guatemala City that the Guatemalan radio stations continue to receive many telephone calls from citizens complaining about the house and vehicle searches and detentions in the streets by the police forces, even though the military regime of General Efraim Rios Montt said it lifted the state of siege on 23 March.

NICARAGUABAYARDO ARCE REPORTS ON RESULTS OF VISITS

PA101706 Managua Domestic Service in Spanish 0300 GMT 10 May 83

[Questioners in recorded portions not identified]

[Text] Regardless of what the U.S. Congress may decide about ratifying Reagan's expanded period of freedom until September, there is the hope that the Contadora initiative may continue to prevail as a peace proposal, Commander Bayardo Arce Castano said today upon arriving in Nicaragua a few minutes ago after completing a tour during which he met with Colombian President Belisario Betancur and with a number of high-ranking Panamanian authorities. Commander Arce announced that in Colombia he held a long talk with President Betancur, Foreign Minister Rodrigo Lloreda Caicedo and Deputy Foreign Minister (Julio Londono). In Panama he met with Vice President Jorge Illueca, Deputy Foreign Minister Jose Maria Cabrera and with the members of the Panamanian National Guard's team of foreign policy advisers.

According to Arce, his trip to these countries sought to update information about developments in Nicaragua and Central America, (?thus stressing) the scope of Nicaragua's initiative of resorting to the UN Security Council. Concerning this, he said that he had found understanding regarding Nicaragua's concern over the Reagan administration's aggressive policy against our country.

Commander Arce stressed that both the Colombian and Panamanian Governments reassured him that they would continue to promote the Contadora initiative as a means of finding solutions to our problems, as befits civilized countries. He added that both Colombia and Panama promised to keep active and current this regional negotiation initiative, which has been endorsed by many countries.

He added that the cancellation of a large part of Nicaragua's sugar quota by the United States falls within the framework of the aggressions against our country, and that he has learned that other products will be treated in similar manner within the framework of these aggressions.

Here is Commander Arce's statement upon arriving in our country from his tour of Colombia and Panama: [Begin recording] [Arce] While still in Colombia, we learned about the U.S. Government's most recent aggression, which I think you have already heard about. It is the decision to reduce our sugar quota in the U.S. market almost to zero. When we told the Panamanian and Colombian Governments about this new development, they grew even more concerned, since this new U.S. aggression suggests that things might not change unless Contadora succeeds as we expect it to.

[Question] Concerning the expanded period of freedom (words indistinct) was this new possibility discussed? This will create a new problem, since even if Contadora gets to meet, (?do) they have enough of a free hand to discuss (?that too)?

[Answer] First of all, Reagan has not yet been authorized this period until September. These congressional committee resolutions are still subject to ratification by (?their) Congress. Naturally, there is still the hope that international efforts such as the Contadora initiative might influence the U.S. Congress so that such a resolution would not be ratified.

In any event, regardless of what the U.S. Congress may decide to do, we feel that the Contadora Group's efforts are still valid, since their context is much broader and is geared not only at helping reduce the gravity of Nicaragua's current problem, but also at keeping the Reagan administration's erratic policy from creating even more serious conflicts in Central America.

[Question] [Words indistinct] didn't you reach some agreement on economic cooperation?

[Answer] No, our mission sought neither to develop nor handle our bilateral economic relations, but to engage in political exchanges.

[Question] [Words indistinct] about the Reagan administration's decision on Nicaragua's sugar quota today, the fact that this decision (?was made) while the Nicaraguan Government is engaged in peace efforts, while you were visiting Colombia and Panama and almost while Foreign Minister D'Escoto was delivering a speech at the United Nations. Under these circumstances, what is your view of the U.S. Government's decision?

[Answer] Our view is that this measure -- which was not conceived today, of course, since we learned several weeks ago that they were planning to either eliminate or markedly reduce the sugar quota and that other Nicaraguan products sold in the United States would be similarly affected -- falls within the framework of the Reagan administration's overall plan of aggression against our country, which it has not implemented right away simply because it has been unable to create the domestic and international political conditions that would enable it to develop its full aggressiveness.

The Reagan administration may also have somehow conceived ideas based on the results of its first acts of aggression. More specifically, they may have conceived mistaken ideas about the effects that a mercenary invasion might have. Although we have been unable completely to eliminate this problem -- since as we have often warned, the problem of these infiltrations will last for a long time and will demand great efforts on the part of our entire people -- we have succeeded in neutralizing their original plans. [end recording]

ARMY REPORTS COUNTERREVOLUTIONARY FRONT BROKEN

PA100321 Managua Radio Sandino Network in Spanish 1200 GMT 9 May 83

[Text] Commander Javier Pichardo, chief of the First Military Region, has reported that the counterrevolutionary front led by Somozist Pedro Ortiz, alias El Suicida, from Honduran territory, which was intended to become the former Somozist guardsmen's operational center, has been totally broken up. The front extended along the border area of Macarali, Las Pampas, Lomas Las Filas, and Zacatera, near Jalapa, some 300 km northwest of Managua. The counterrevolutionaries were driven out of the area by the Sandinist People's Army.

Commander Pichardo noted that, just as on previous occasions when the counterrevolutionaries tried to occupy some part of Nicaragua's territory, this most recent action was supported militarily by the U.S. Government, acting through the Honduran Army, which offers logistical support to the Somozists who use the southern region of that neighboring country as a rearguard for their attacks on Nicaragua. The counterrevolution could not stand by itself without the U.S. aid funneled through Honduras, which provides food and war supplies to the counterrevolutionaries, Pichardo noted.

He added that after sustained heavy fighting between 29 April and 5 May, during which the Somozists attacked the Sandinist outpost at Macarali, 12 km east of Jalapa, from Honduras with 81-mm and 106.7-mm [as heard] mortar fire, the counterrevolutionaries retreated to Honduran territory, where they are regrouping to renew their attacks on the area.

In this respect, Captain Rodrigo Gonzalez, leader of the Jalapa border guard forces, pointed out that the counterrevolutionaries are resupplying, treating their wounded, organizing their commands and receiving new training and material for renewing their operations.

Gonzalez reported that 4 counterrevolutionaries were killed and several were wounded yesterday morning when some 30 Somozists clashed with Sandinist troops in the area known as (Chalajami), some 12 km from the Honduran border. The Sandinist Army recovered FAL rifles, RPG-7's, M-60 machinegun clips and other war supplies. A Sandinist soldier was wounded and a civilian was killed in the clash.

At the same time, 20 more counterrevolutionaries were ambushed by Sandinist troops at (Chuculi), 9 km from the border. No information has been received on the results of this operation as yet.

Over 20 Somozists were killed on Friday at Macarali, in Nueva Segovia, during a 2-hour fight resulting from an attack on the anti-Somozist fighting unit in the area. This information was supplied by Deputy Commander Cristobal Vega, who led the defensive operation. The report said that during the clash, in which the attackers were successfully repelled by our forces, Lieutenant Tomas Castillo and 10 Sandinist People's Army reservists were killed. Some of the dead fighters, whose bodies were sent to Managua yesterday, were Mario Jose Jerez Zeledon, 19; Jorge Mauricio Mayorga Silva, 19; Jose Luis Arvizu Perez, 21; Jose Arenas, 22; Roger Saldana, 22; Jose Blas Garcia, 19; Gabriel Avendano, 23; and Lionel Mejia, 22. They were members of Battalion 5010 and Managua residents. The others who were killed in combat were Francisco Romero Vejas of Battalion 4093 and Felix Valle of Battalion 5009, both residents of Managua.

Last Friday, a group of 40 Somozists equipped with FAL rifles, AK rifles and 60-mm and 79-mm mortars, tried for 2 hours to overpower the anti-Somozist fighting unit at Macarali, in Nueva Segovia, but was repelled by our reservists and border guard forces. In this action, financed by the U.S. Government for the genocidal former guardsmen, 11 Sandinist fighters were killed, including Lieutenant Tomas Castillo, while the counterrevolutionaries suffered 10 dead and several wounded.

The counterrevolutionaries fled toward (Tapalchi), according to Deputy Commander Cristobal Vega, who directed the defensive operation, over 300 km from Managua.

A group of local and foreign reporters was able to observe the firing of 106-mm mortars [as heard] from Honduran territory into Nicaragua, confirming that the former Somozist guardsmen are receiving support from that country's army.

Rebel Casualties Reported

PA100326 Managua Radio Sandino Network in Spanish 1200 GMT 9 May 83

[Text] Three mercenary guardsmen were killed in a clash with Sandinist People's Army forces between San Fernando, Santa Clara, and (Situli) in Nueva Segovia, according to reports received from guerrilla commander Javier Pichardo, chief of the First Military Region.

Pichardo reported that last Saturday a group of 40 counterrevolutionaries tried to occupy part of the highway leading from Ocotal to Jalapa. In Santa Clara, the report said, the counterrevolutionaries attacked a vehicle bearing four civilians, but no one was hurt. Later, Sandinist troops appeared on the scene, supported by the reserves and militias, to repel the attack.

Commander Pichardo said that the Sandinist troops had the situation under control in 30 minutes as the counterrevolutionaries were chased toward Honduras. Two of the dead counterrevolutionaries were San Fernando residents, Commander Pichardo concluded.

Honduran Army Mortar Fire

PA101643 Managua Radio Noticias in Spanish 1200 GMT 9 May 83

[Text] The Honduran Army yesterday fired mortars on Nicaraguan territory. One of the mortar rounds killed a peasant near El Espino.

The Defense Ministry reported that peasant Francisco Olivera died yesterday from wounds caused by a mortar round that fell on his house in (La Playa), 2 km north of the El Espino border post. The Defense Ministry report added that the 81-mm mortars were fired from Honduras against Nicaraguan territory by Honduran soldiers for more than 1 hour. Indalecio Sandoval, another peasant, was wounded in the intense mortar attack by the Honduran Army. Nicaragua will send the appropriate protest note to the Honduran Government due to this new aggression by the Honduran Army.

CARLOS NUNEZ TELLEZ ADDRESSES STATE COUNCIL

PA061845 Managua Domestic Service in Spanish 0306 GMT 5 May 83

[Speech by Commander of the Revolution Carlos Nunez Tellez, president of the State Council, at the opening session of the fourth State Council session legislative period at the State Council Building in Managua -- live]

[Text] Brothers of the FSLN National Directorate, of the Junta of the Government of National Reconstruction, of the State Council leadership, of the Supreme Court of Justice, of the Sandinist Assembly, of the revolutionary cabinet, gentlemen of the diplomatic corps and of the Puerto Rican delegation, representatives of the people:

The flag of hope, peace and freedom arrived in Nicaraguan soil with the installation of the first legislative period. The people were still relishing the tyrant's departure.

On this fourth legislative period, in this year of struggle for peace and sovereignty, the entire world is watching Sandino's victorious people as they fight to keep the heroic banners that yesterday killed Somoziism waving in the wind. The struggle is against the same enemy. The same power is fostering it. The criminals are the same. It is only that this time they are crueler, bloodier and more resentful. They are filled with hatred and prepared to do anything. They shed the pure and generous blood of the young, the elder and the children. They attack and rape women. They are also forcing our people to take up weapons, only this time it is to defend and preserve their ideals and their victory.

This fourth legislative period is being installed within a complex and demanding framework. Nicaragua, a lover of freedom and independence, is gathering with a single fist to confront the empire and its (?monsters). Nicaragua is confronting the provocations of Honduras, which lets the dark task forces set out from its territory to destroy Nicaraguan lives. Recently we have felt the pain and suffering of seeing our citizens kidnapped and killed.

In the face of this harsh reality, if anyone should ask what are we doing here, participating in the installation of the fourth legislative period of the State Council -- since, as in the past, we should be on the battlefield -- if anyone should ask where our rifles, our trenches, are, there is only one explanation: In all revolutions, there are moments of significant decision, of battles on all fronts, without neglect of the main tasks. These are difficult moments that entail political tests, great victories and mistakes. Just as we may march victoriously in an offensive against the enemy, we can also make mistakes and lose battles on some fronts. As Carlos [Fonseca Amador, founder of the FSLN] used to say, this calls for a cool head and an ardent heart. The imperialist enemy wants us to make mistakes now, when it would be most advantageous to that enemy for impatience to prevail over prudence and revolutionary ire over good sense. The enemy wants us to respond irrationally and to push aside our mixed economy and our political pluralism; it wants us to give up the parties law and the electoral plan -- in short, the already institutionalized forms of popular participation.

We won't make any mistakes. We can't afford to. Our presence here is proof of the revolution's will. To learn about the tasks made necessary by the defense and to be ready to fulfill them reveals the profound patriotism of the country's political parties and popular, labor and social organizations. Fighting on this front also means understanding that nothing can be left in the enemy's hands.

We have repeatedly insisted that the State Council must be strengthened, its activities publicized, and it must become part of the people's organizations. At times, the response has been positive, while on other occasions the answer has been negative. There have even been people who, without consulting anyone; without understanding the transformations of the revolutionary state; without controlling its laws, its development, its improvement and consolidation; have chosen imprudence and impulsiveness in making inappropriate decisions without concern for the damage that might be done through their hasty actions. Fortunately, there have been very few such instances.

We might say that this month of May we are entering the second phase of this co-legislative body. This phase will be characterized by the conversion of a good many of its members into full fledged parliamentarians, into combatants of their revolution on the international political front. Another characteristic of this phase is that several pending and sensitive problems -- including approval of the laws on the political parties, housing and the social communications media and of the first steps connected with the electoral law -- will be broached.

As we said earlier, the State Council is an additional front of struggle. Its activities abroad will continue to be inspired by the Nicaraguan people's earnest desire for peace. We notice in the initiative presented by the Costa Rican Legislative Assembly the firm desire to join our efforts in the search for peace, since it has created a peace commission inspired by Pope John XXIII's appeal in his encyclical message "Peace on Earth," by the UN principles, and by the peaceful traditions of the fraternal Costa Rican people.

To the Costa Rican Legislative Assembly's peace commission we propose the following:

1. A delegation of that commission should visit our country on 18 May to meet with a State Council delegation and to exchange information on our border situation.
2. This delegation should freely explain the peace commission's proposal to the Nicaraguan people through the State Council representatives.
3. A state Council delegation should visit Costa Rica so that Nicaraguan representatives may freely explain our desire for peace to the Costa Rican people at the legislative assembly.
4. A joint commission comprised of the Costa Rican Legislative Assembly, the Nicaraguan State Council and the Panamanian Assembly of Corregimiento Representatives, which would first have to be consulted, should be organized to invite the Honduran Legislative Assembly to join the regional peace efforts.

To the U.S. people and Congress we say that Nicaragua is a small, poor country that poses no threat to the United States. Its leaders, its men and women are honest and are dedicated to creating better economic, health, educational and housing conditions in order to overcome backwardness and poverty.

Nicaragua cannot be a peril for the United States. That is absurd. The really dangerous thing for the United States is the fact that its government is intent on implementing such an erroneous policy against a neighboring country. The grief, suffering and mourning that the Nicaraguan people feel when their children die at the border or are beheaded or kidnapped, is the same grief, suffering and mourning that the American people felt when their better children died, forced by Johnson to attack the heroic Vietnamese people.

Reagan has no right to launch people against people. It is now up to the U.S. people and to their congressional representatives to speak up, to demand an end to this undeclared but bloody war against Nicaragua.

To the U.S. Congress we say that the State Council wants to keep the U.S. people informed through their representatives. We are also interested in having them collaborate in the search for peace.

For this reason: 1. We invite the 107 U.S. congressmen who in expressing their views have demonstrated good judgement and responsibility in connection with the solution to the Central American crisis, to visit our country and its most conflictive areas often.

2. We urge them to oppose the Reagan administration's requests intended to intensify tension in the area and its proposed warmongering solution to the Central American crisis.

We urge all friendly and peace-loving parliaments to join in the efforts to prevent both holocausts like that involving our Palestine brothers, and the Vietnamization of the war in Central America, because such events merely cause grief and suffering to the international community and threaten world peace.

We said earlier that in these circumstances we are opening the fourth legislative period. This is not exactly the best time to divert our efforts to fight the mercenary aggression. However, the will of both our people and the FSLN is that we should continue building the democratic model of our society and improving both its institutions and mechanisms' in short, that the people should continue to exercise the power they have attained.

Why then are the Reagan administration and the entire imperial rightwing -- which pride themselves on defending democracy -- attacking us, slandering us and seeking to destroy us? Why do they doubt Nicaragua's democratic will when Nicaragua is a free, poor, weak, and backward country, the victim of the irrational policy implemented by the northern empire? We see no other answer but their hatred for a people who gained and now defend their right to self-determination, independence and sovereignty, and who reject imperialist intervention because they have suffered it in their own flesh. But we are not constructing a democratic society, a new and happy society now, nor will we construct it in the future, merely to convince the Reagan administration. That is up to them. We will go about our task, not on their behalf, but on behalf of the revolutionary process with its commitments, its consolidation, its development, and its improvement as a state.

The State Council commissions charged with learning about the political and electoral systems of friendly countries will leave for Europe on 16 May and Latin America on 6 June. Meanwhile, a special commission charged with furthering the first proposals on the electoral law will be organized in the State Council.

Naturally, when one speaks of an electoral law here in Nicaragua, one is not referring to the foolishness about the articles, the talks among politicians, the blackmail, or the traditional fraud which are so common in certain countries. Here in Nicaragua, the electoral process will be a demonstration of principles and confidence in the workers, of vast mobilizations to defend the national gains, an (?expression) of patriotism, willingness to struggle above all, as a revolutionary people, to inflict a new defeat in this field on the U.S. Administration, on the attackers, on the enemies of the world. We must defeat imperialism in this field also.

Naturally, we must become familiar with the experiences of various countries in terms of their electoral systems. Later, through these contributions, we can decide which system best suits our country. Nations, in Europe and South America, Mexico and even the United States -- if our representatives are not denied entrance visas -- will be visited to learn about their electoral systems.

This year we must also draft and approve the law on political parties and the communications media. Along with the electoral law, they represent advances toward the democratic society that we are currently building. The State Council has a big responsibility. Through these laws we must fight the prejudices fostered by dogmatism and (?primitivism).

The democratic transformation of our society and the state toward economic socialization and political participation need not entail limitations of individual freedoms, as suggested by the rightwing politicians. This is the challenge faced by our co-legislative body, thus the efforts carried out by the commission excellently presided over by Companero Alvaro Arguello, whom we won't have as representative because he worked during the entire recess period on the law on political parties. He has found basic points of agreement among the parties through the following postulates, which will be debated the third week in May.

First, all political parties are entitled to participate in the search for political power. Otherwise, they would be mere groups of opinion or some other kind of association, but not real parties. However, in Nicaragua, political power is determined by the people's support and by the interests of the majority. Although (?unnecessary), this postulate will be set forth in the law by consensus among the participants in the commission for reasons of legislative procedure.

Second, according to the jurists, the nature of the legal relations regulating the branches of law determine whether the law is public or private. Public law regulates the state's organization and activities. Private law regulates relations among individuals. As one of the laws that regulates the organization and functioning of power, the law on political parties belongs to the branch known as public law. The parties, must therefore, be public law institutions.

The principles and purposes of the political parties were the object of lengthy discussions. They will be organized as groups of Nicaraguans with ideological affinities, (?with) purposes and principles of their own which do not contradict the fundamental principles of the Sandinist people's revolution, such as anti-imperialism, or its deeply popular and democratic nature.

Finally, we will mention the parties' right to political propaganda. The law will guarantee the parties' use of this right in the electoral process, entitling them to use the mass communications media to give their programs and principles to publicity, along with any other licit means deemed suitable for this purpose. As every right entails duties, the parties must be responsible for their use of this right. This means that they will not be able to denigrate or slander the revolutionary process under the protection of this provision. In other words, they will not be able to use it as a trench from which to wage destruction or to try to make the irreversible wheel of history go back.

An arduous and difficult task awaits us, but we are sure that the people's support and the results of our work will befit our dedication to this task which, as of this moment becomes part of the revolutionary struggle on all fronts. Thank you very much. [applause]

BORGE ADDRESSES U.S. UNIVERSITY STUDENTS

PA090445 Managua Domestic Service in Spanish 0300 GMT 7 May 83

[Text] A delegation of U.S. university students has come to Nicaragua to hear a lecture by Commander of the Revolution Tomas Borge, in view of the Reagan administration's refusal to allow Commander Borge to go to the United States to outline our country's real situation for the students. This evening, Interior Minister Borge spoke with the U.S. students, who expressed solidarity with the Nicaraguan revolution and repudiation of Reagan's actions against the revolutionary process. The students come from Lewis and Clark College in Portland, Oregon.

Commander Borge said emphatically that the Nicaraguan people receive them with affection, because any Americans who wish to come here can do so, except the Marines, who would be driven out with bullets.

The revolutionary leader also brought them up to date on the status of human rights in our country and invited them to visit prison centers, to observe Nicaragua's rehabilitation programs firsthand.

Here is a part of the statement made by Commander Tomas Borge to the U.S. university students:

[Begin recording] We will have elections in 1985 and we will continue to defend this country. Nicaragua receives all Americans who have come here, except for the U.S. Marines, with open arms and deep affection. Although we receive you with hugs and smiles and affection, Marines will be received strictly with bullets.

What can possibly happen? The United States has great power. We really can do nothing to damage U.S. internal security, but the U.S. Government can destroy this country.

What will they find here? They will find a country in ruins. They will come to occupy a country full of dead bodies, because we will all die defending this country, all of us; and we will kill them, too.

All Americans who want to can come here, even Mr Stone, who has been named ambassador extraordinary. [Words indistinct] Even Mr Reagan can come if he wishes. We would have no objection to having him come to lecture at the UNAN [National University of Nicaragua]. Even Reagan can come here if he wishes, or Mr Bush; even the Honorable Madam Kirkpatrick can come if she wishes. There would be no problem, unlike the United States, which would not allow us to enter. They don't want us to come to speak these truths to the U.S. people. They don't want this. [end recording]

CUBAN VICE HYGIENE MINISTER ARRIVES ON VISIT

PA050728 Managua El NUEVO DIARIO in Spanish 28 Apr 83 p 7

[Text] Hector Terry, Cuban vice minister for hygiene and epidemiology, arrived yesterday in Nicaragua to expand the struggle against contagious diseases and to strengthen cooperation between Cuba and Nicaragua.

Referring to the degree of fulfillment of the cooperation agreement, he said that in a short period one has been able to see what has been accomplished in medicine in Nicaragua, which is reflected in the great advances made in this respect.

The agenda for his visit to the country includes a visit to the central laboratory, a meeting at Minsa [Health Ministry] and a revision of the cooperation agreement between the two countries.

He said that every year cooperation between the two countries grows stronger and deeper in the aspects of tropical medicine and laboratory research.

Milton Valdez, responsible for preventive medicine in the Health Ministry, said that the agreement includes the training of technicians and professionals, aid in equipment, scholarships, the exchange of information, joint research and advice.

He said that the agreement has been completely fulfilled from the victory of the revolution to date, and that it has been a great support for the implementation of Minsa's programs, especially in preventive medicine.

He added that the agreement has been renewed every year, and that changes are made according to the country's needs. In this respect, he said that Hector Terry's visit will permit the search for better ways to exchange technology between the two countries.

OFFICIAL ASSAILS U.S., UK AT L.A. MEETING

FL101725 Havana Domestic Service in Spanish 1600 GMT 10 May 83

[Text] Buenos Aires -- Cuba has reiterated its support for and solidarity with the Argentine people's rights and sovereignty over the Malvinas Islands. Herminio [Garcia] Lazo, vice president of Cuba's Central Planning Board, condemned U.S. imperialism for its support of British colonialism in its censurable action which offended all Latin American peoples.

Addressing the fourth Conference of Latin American Planning Ministers, the Cuban leader said this Hemisphere has not escaped the consequences of the economic crisis caused, to a large degree, by the so-called powers of the developed world. It is not our intention, he said, to start a political argument in this meeting but no economist can fail to mention by name the main reason why our peoples have not attained the level of development which would satisfy man's basic needs.

CABRIZAS MEETS BULGARIAN LEADERS IN PLOVDIV

FL101250 Havana Domestic Service in Spanish 1100 GMT 10 May 83

[Text] Following a tour through the Cuban Pavillion in the Plovdiv Spring Fair, top Bulgarian leader Todor Zhivkov said it constituted a clear example of Cuba's achievements in all areas of its national tasks. Thus wrote the secretary general of the Bulgarian Communist Party and chairman of the State Council in the visitor's logbook of the Cuban Pavillion.

After looking at the largest exhibition ever presented by Cuba abroad, Zhivkov wrote in the book his wishes for new and greater successes by the working people of the island of liberty under the leadership of the communist party and Fidel Castro in the struggle for greater development on behalf of peace and communism.

The top Bulgarian leader was welcomed at the Cuban Pavillion by Cuban Foreign Trade Minister Ricardo Cabrizas and other senior Cuban officials who gave him gifts of various Cuban articles. Chairman Zhivkov was accompanied by Bulgarian Premier Grisha Filipov.

Fifteen hundred commercial firms from 55 nations are participating in this year's Plovdiv International Spring Fair.

GRENADA1982 EXPORT EARNINGS DROP REPORTED BY CSO

FL102309 Bridgetown CANA in English 2249 GMT 10 May 83

[By Alister Hughes]

[Text] St Georges, Grenada, May 10, CANA -- Grenada last year recorded a near five per cent drop in foreign exchange earnings from the sale of domestic exports with 1981, according to provisional figures released today by the Central Statistical Office [CSO].

The value of domestic exports in 1982 was 47.7 million dollars (one E.C. dollar; 37 cents U.S.), a 3.9 per cent drop when compared with the 1981 figure of [words indistinct] breakdown of the figures shows that in 1982, cocoa exports were down by 30.9 per cent to 12.5 million dollars from the 1981 figure of 18.1 million dollars.

Revenues from bananas fell by 8.7 per cent to 9.1 million dollars from 10 million dollars in 1981 and nutmegs made a very small gain.

The latter commodity rose by just over 1,000 dollars or 0.01 per cent from the 1981 figure of 8,150,453 dollars.

Non-traditional exports, including flour and garments, performed well. Exports in this area in 1982 rose by 28.4 per cent from the 1981 figure of 14.0 million dollars to 18.0 dollars.

According to the CSO, the retail price index stood at 179.4 points in December 1982 from a base of 100 points established in January 1979, representing an increase of seven per cent over the December 1981 figure of 167.7 points.

Presenting his 1982 budget proposals last March, Minister of Finance Bernard Coard gave this figure of seven per cent as the inflation rate in 1982 and, on that basis, the real figure for importations into the island in 1982 dropped from the 1981 figure.

According to the CSO, imports in 1982 were 151.2 million dollars, an increase of 3.1 per cent over the 1981 figure of 146.7 million dollars.

On the basis of the inflation rate, had Grenada's imports remained static from 1981 to 1982, imports in the latter year would have totalled 156.9 million dollars, but they totalled 151.2 million dollars, representing a real fall of nearly 6 million EC dollars.

Other figures published by the CSO show that the tourist arrivals were down by 1982 by 1.1 per cent to 24,864 from the 1981 figure of 25,145. This is the smallest drop recorded since 1979, arrivals for that year and 1980 being respectively 32,101 and 29,562.

Private remittances and other private transfers through the banks and post offices were up in 1982 by 35.5 per cent from the 1981 figure. Statistics relative to these remittances covering the years 1977 to 1983 are respectively (in million dollars) 12.2, 12.8, 33.4, 30.3, 36.8 and 49.9.

Government revenue also showed an increase in 1982, rising by 15.0 per cent. Figures for 1978 to 1982 (in million dollars) are respectively 34.9, 44.2, 47.0, 47.8 and 55.1.

The index of retail sales for December 1982, based on a limited survey and relative to a base of 100 points established in January 1980, stood at 173.4 points, an increase of 23.4 per cent over the December 1981 figure of 140.5 points.

HAITI

POLICE ARREST HUMAN RIGHTS GROUP LEADER

FL101304 Bridgetown CANA in English 1223 GMT 10 May 83

[Text] Port-au-Prince, May 10 CANA-REUTER -- A prominent human rights lawyer, Jean-Baptiste Duplex, was arrested last night by police on undisclosed charges, the president of the Haitian Human Rights League said. Duplex was detained in Gonaives, Haiti's fourth biggest city, located 150 km (90 miles) north of the capital, League President Gerard Gourgue said. Police declined to comment on the charges made by Gourgue, who leads Haiti's only independent human rights group.

Haiti's government, ruled by President-for-Life Jean-Claude Duvalier, has been accused by international human rights groups of serious rights abuses.

Duplex is best known as the chief lawyer defending Sylvio Claude, head of the country's leading opposition party, the Christian Democrats, in a 1981 sedition trial. The trial, denounced by some western diplomats as a travesty of legal procedure, ended in a 15-year jail sentence for Claude, who was pardoned last year but put under house arrest. Claude last December slipped past his guards and is now at large.

President Duvalier has governed Haiti, one of the world's poorest countries, since the death of his father Francois "Papa Doc" Duvalier. The Duvalier dynasty last October celebrated a quarter of a century of rule.

JAMAICA

SEAGA DELIVERS REPORT TO PARLIAMENT ON CARICOM

FL102143 Bridgetown CANA in English 2105 GMT 10 May 83

[Text] Kingston, Jamaica, May 10, CANA -- Jamaica Prime Minister Edward Seaga today gave Parliament a detailed account of last weekend's high level Caribbean Community talks in Barbados that resolved a trading impasse that had been threatening the regional integration movement. Mr Seaga was among four Caricom heads of government who, with other Caricom lower level ministerial delegations and a battery of technocrats, hammered out a compromise agreement to the difficulties that had hampered intra regional trade for the past four months.

Following is the text of Mr Seaga's statement: "The formalisation of the parallel market and attendant economic measure introduced by Jamaica on January 10, 1983, were instituted because of severe economic circumstances affecting the Jamaican economy. Among these are a severe decline in bauxite-alumina earnings resulting from the world economic recession and a sharp increase this year in debt services and debt payments deferred in 1978 and 1979 -- both of which simultaneously have impacted on the Jamaican economy.

Note should be taken of the fact that this is not the first time that a parallel market has been established in Jamaica. A parallel market had been identified in 1972 when the black market in foreign currency became noticeable. This market was formalised in April 1977, when a dual rate of exchange was established -- a special rate and the basic rate. The special rate was set at 37 1/2 per cent above the official rate. However, with the eventual unification of rates in 1978, the dual exchange rate was abandoned.

Between 1978 and 1980, the practice of carrying out trade transactions on the basis of "no-funds" licences developed. These licences were in part funded by foreign currency which existed in the informal market.

This market received its resources through leakages from the official market. With the repatriation of Jamaican dollars after the change of government and with the increase in foreign currency flows from the tourist industry into this market, trade in the informal market became even more significant.

Government formalised this parallel market by removing it from the street corners into the banking system in order to allow it to be tapped for productive purposes.

This act which resulted in parallel rate being established formally by banks, did not change the price or price competitiveness of Jamaica exports to Caricom. However, it affected the price of Caricom exports to Jamaica, thus making Caricom goods more expensive than Jamaican produced goods.

In so doing, the disadvantage which the Jamaican producer had suffered in comparison with the Caricom exporters was reversed. The domestic producer prior to this had to import much of his raw materials at the rate of funds required on the street market, while Caricom goods were allowed at the lower official rate.

The Caricom countries interpreted the Jamaican move as an attempt to give Jamaican producers an advantage which would make it impossible for Caricom goods to compete again.

As a result, various steps were taken by some Caricom countries, the result of which reduced the level of trade substantially.

To alleviate these misunderstandings, discussions were held between the ministers responsible for foreign trade including the hon deputy prime minister of Jamaica.

The major problem remaining was the question of devising a method to enable Jamaican and Caricom goods to be competitive with each other.

On this basis, a meeting with heads of government was called in Barbados on the suggestion of the prime minister of St Lucia -- John Compton.

The conference covered two days -- Friday 6th and Saturday 7th May. The first day was devoted to meetings of officials. These meetings examined all of the basic technical issues. Following intensive meetings at the ministerial and technical levels, an agreement was reached.

The agreement:

Heads of agreement, a copy of which is attached, was signed on May 7, 1983.

The main elements of the agreement are as follows:

(A) A Caricom rate of exchange for inter-Caricom trade should be established. The rate is 2.25 dollars (J) to 1.00 dollars (U.S.). This rate will remain in force for six months, at the end of which it will be subject to review. If there is any change in the exchange relationships in the region during this period, the review would take place immediately.

(B) Except for goods traded at the official rate, the rate would apply to all imports of raw materials used by Jamaican manufacturers in the Caricom market and to Caricom imports into Jamaica. At the same time, the proceeds of sales to the Caricom market would now be converted at the Caricom rate. In respect of goods currently being produced in Jamaica with raw materials at the official rate of exchange, similar products would be traded between Caricom countries at the official rate. Any anomalies which might arise would be dealt with on a case-by-case basis in accordance with the Caricom treaty.

(C) Trade payments in respect of goods traded at the Caricom rate will take place through the commercial banks in the usual manner. Settlements will be made at the Caricom rate through the central banks and monetary authorities.

(D) Jamaica will allow imports from Caricom outside of quotas and is to provide for Caricom imports in 1983 at a level not less than in 1982. The licensing system to be maintained will be for monitoring purposes. Licences will be granted on an automatic basis on the understanding that other Caricom countries operating import licensing arrangements will grant licences on the same basis. By "automatic licensing" is meant that import licences are to be approved within seven days of receipt of application.

The Caricom rate is intended to place the Caricom exporter into Jamaica on parity with the Jamaican producer for sales in the Jamaican market. This rate equates the C.I.F. price with ex-factory price and is determined by taking into account the difference between the official rate and the parallel rate. The differential is then applied to the average import co-efficients per local manufacturing and an adjustment made for value added.

Funds for raw materials and other manufacturing inputs for the Caricom market will be provided by the Bank of Jamaica through the Export Development Fund (EDF) and all receipts and payments will go through the EDF. This is the same arrangement as now exists for the payment and funding of Caricom trade. Under the new EDF operations, the exporter and importer will be required to obtain the required funds from the EDF not directly as is the present case, but through the banking system.

The banks will ensure that the amounts borrowed are for the purpose of financing the importation of raw materials, particularly for Caricom export orders which will be a national part of their requirements for lending, to ensure that a project exists by which they will be repaid the foreign exchange loaned.

The banks have been advised of the new arrangements, which will come into effect as of 1st July, 1983. In the interim the EDF will continue to operate as it currently does except that Caricom transactions will be at the Caricom rate and the Bank of Jamaica will replenish the EDF at that rate as of May 18, 1983. Jamaica proposed certain safeguards in order to ensure that the new regime would be effective. These safeguards were accepted and are as follows:

(A) The certification mechanism must be significantly improved in order to ensure that goods which are imported by Caricom member countries meet the area origin criteria.

(B) Origin must be precisely determined in order to obviate false labelling in respect of imports from third country sources which are capable of under-selling Caricom producers,

(C) Certification authorities must now set out to exchange information in order to move towards the perfection of the current system. (The fact is that a number of discrepancies have been discovered by certification officers throughout the region. As information is not exchanged on a structured basis, the "certification process" does not benefit from these discoveries),

(D) The current "process list" approach to the determination of origin in the region was developed on the basis that the requisite studies to verify the structure of production in the region would have been completed within a reasonable period of time. This was to have been a three-year study. This study is behind schedule. In view of the importance of this exercise to the development of Caricom trade, it is urged that every effort be now made by Caricom Secretariat to complete this study within the next fifteen months.

(E) The new system ought not to be accompanied by new initiatives on the part of Caricom countries to remove such mechanisms as currently give Caricom producers a measure of protection.

The conference also accepted proposals by Jamaica regarding the movement of agricultural goods, that steps be taken to remove all barriers to trade in fresh agricultural products.

This trade is currently impeded by the agricultural marketing protocol in as much as trade flows in these products are currently determined by a system for declaring surpluses and deficits, but which does not work efficiently. One result of this ineffectiveness is that goods which would normally have been traded on the basis of the protocol are now being imported from third countries.

I believe that the new arrangements for trade and payments in the Caricom region commencing with the establishment of a Caricom rate of exchange will be the beginning of a better understanding between the partners to solve a number of other problems dealing with certification of origin of goods, which now allow third country products to be sneaked into the Caricom market, and the abolition of various protective devices now restricting trade. In as much as these arrangements are based on automatic licensing approval within seven days, the bureaucracy in Caricom should be considerably reduced.

Overall, much good has eventually come of a threatening situation and Caricom is the better and the stronger for the problem it has endured and solved. I should like to pay tribute to Prime Minister Tom Adams of Barbados for hosting the meeting, albeit at much inconvenience in re-arranging his own programme, and to Prime Minister John Compton of St Lucia for initiating the proposal for the conference to be held. The host of officials on all delegations and the private sectors of the various countries in the community who gave technical advice are also to be commended.

May Caricom now proceed with strength and may the manufacturing sector of Jamaica now seize the new opportunities with vigour to demonstrate the full potential of domestic growth and to increase foreign exchange earnings of which it is capable, and which the nation now expects with the removal of these obstacles to expansion.

TRINIDAD AND TOBAGOINCE RAPS 'POOR DEAL' FROM CARIBBEAN NEIGHBORS

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[Excerpts] Port of Spain, Trinidad, May 5, CANA -- Trinidad and Tobago has accused its Caribbean neighbours of giving it a poor deal in return for the near billion dollars (one TT dollar; 41 cents U.S.) it lent them to improve their economies between 1974 and 1981.

Foreign Minister, Basil Ince, who estimated that the oil-rich twin-island state lent other Caribbean Community (Caricom) member countries than 800 million dollars in the seven-year period, said the reward had been experiences that demonstrated "the myopic, insular and nationalistic approaches which have been found to be expedient and which have actually triumphed over the ideals of the Caricom Treaty." Dr Ince talked about the treatment when he addressed senior officials of the West Indies Jaycees.

He said Trinidad and Tobago had unswervingly helped Caribbean countries with economic problems, but "has not yet met with a similar level of reciprocity from its Caricom neighbours in securing its national objectives." Dr Ince complained that Caricom countries had not been shown sympathy with the government here on several issues "treasured by the government and people of Trinidad and Tobago" including designation of a regional air carrier.

He pointed out that changing fortunes on the world oil scene highlighted by the recent reduction of world oil prices from 34 dollars (U.S.) to 29 dollars (U.S.) a barrel would not allow oil-producing Trinidad and Tobago to assist its Caricom partners in the same way it had done since 1974.

"I believe that it would be correct to state that the negative impact of the strains being experienced in the international economy have also had serious repercussions on the Caricom integration process, to the extent that many of us are beginning to be extremely concerned over the future of the integration movement," he said.

"Recent events that have taken place within the Caricom region and in the wider Caribbean area have significantly increased the pressures on member states to break faith with the spirit and letter of the Treaty of Chaguaramas which Trinidad and Tobago has always sought to uphold and maintain."

The minister re-affirmed Trinidad and Tobago's commitment to Caricom, saying: "Trinidad and Tobago stands ready to joint together with our Caricom partners to discuss, to give and take in the spirit of true cooperation and reciprocity to ensure the continued existence and strengthening (of) the integration movement.

"We feel confident that there is the will and commitment among the member states to ensure the survival of Caricom despite the challenges which the movement is at present having."

Dr Ince, however, pointed out this was not to say "that pressures will not be placed on us to take measures to protect our national interest." He pointed out that Trinidad and Tobago was subject to such pressures, and that these had been increasing over the last few months.